

510C.1 Definitions.

As used in [this chapter](#) unless the context otherwise requires:

1. “*Administrative fees*” means a fee or payment, other than a rebate, under a contract between a pharmacy benefits manager and a pharmaceutical drug manufacturer in connection with the pharmacy benefits manager’s management of a third-party payor’s prescription drug benefit, that is paid by a pharmaceutical drug manufacturer to a pharmacy benefits manager or is retained by the pharmacy benefits manager.
2. “*Aggregate retained rebate percentage*” means the percentage of all rebates received by a pharmacy benefits manager that is not passed on to the pharmacy benefits manager’s third-party payor clients.
3. “*Commissioner*” means the commissioner of insurance.
4. “*Covered person*” means the same as defined in [section 510B.1](#).
5. “*Formulary*” means a complete list of prescription drugs eligible for coverage under a health benefit plan.
6. “*Health benefit plan*” means the same as defined in [section 510B.1](#).
7. “*Health carrier*” means the same as defined in [section 510B.1](#).
8. “*Pharmacy benefits manager*” means the same as defined in [section 510B.1](#).
9. “*Prescription drug benefit*” means the same as defined in [section 510B.1](#).
10. “*Rebate*” means the same as defined in [section 510B.1](#).
11. “*Third-party payor*” means the same as defined in [section 510B.1](#).
12. “*Third-party payor administrative service fee*” means a fee or payment under a contract between a pharmacy benefits manager and a third-party payor in connection with the pharmacy benefits manager’s administration of the third-party payor’s prescription drug benefit that is paid by a third-party payor to a pharmacy benefits manager or is otherwise retained by a pharmacy benefits manager.

[2019 Acts, ch 88, §1](#); [2020 Acts, ch 1063, §279 – 281](#); [2022 Acts, ch 1113, §17, 23](#)

Section amended